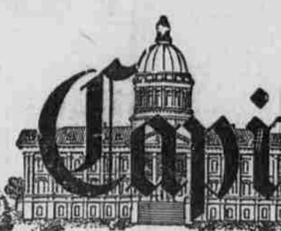


The Daily Capital Journal

FULL LEASED
WIRE DISPATCHES

CIRCULATION IS
OVER 4000 DAILY



THIRTY-EIGHTH YEAR

SALEM, OREGON, WEDNESDAY, JANUARY 26, 1916

PRICE TWO CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

WARNS ENGLAND ABOUT OVERBEARING CONDUCT

Must Not Try to Brush Neutrals A With Strong Hand-- Protests of Sweden and America Call Out Admission by Press of England's Dependence on United States--Telegraph Says: We Have Had Experience With Consequences of Imperious and Dictatorial Conduct.

London, Jan. 26.—The British government has virtually decided to stand pat on its present trade regulations instead of announcing establishment of an actual blockade against Germany in parliament this afternoon, according to the majority of experts today.

Only a few newspapers clung to the belief that the cabinet will change the policy radically. The government may tighten the present regulations in some ways but it is believed that the cabinet is against a revolutionary change.

Protests of America and Sweden against the reported plans have cooled the advocates of an actual blockade. Newspapers displayed prominently the warlike utterances of the Swedish premier, while the Telegraph and News cautioned the government not to involve neutral nations in a controversy.

"Press firebrands," said the News, "have demanded that the government brush neutral nations from its path with a strong hand, but what would be the position of the allies if the vast resources of the United States ceased to be at their command?"

The Telegraph commented thus: "The country may be content with the present measures, which, if slow, are sure and have hitherto been abundant without severing friendly relations with neutral nations. We have had experience with the consequences of imperious and overbearing conduct."

Introduction of a blockade resolution by Arthur Bann was expected to open the parliamentary debate; in answer, it was expected Sir Edward Grey would deny that the present "blockade" is ineffective.

Washington, Jan. 26.—Negotiations over the torpedoing of the Lusitania have developed into a diplomatic duel. A battle of words between the Berlin foreign office and the state department is a foregone conclusion, with Ambassador Von Bernstorff and Secretary of State Lansing as the fighters. The two sides are diametrically opposed on the vital point of the situation—an admission that Germany illegally and wrongfully sank the vessel, with loss of many lives including Americans. It is understood today that the administration has rejected an unsatisfactory and evasive phraseology of the settlement thus far suggested, in Germany's latest note on the case.

States demand for a complete disavowal. England Has Replied. Washington, Jan. 26.—England has tentatively replied to the United States note protesting British seizure of mail passing between America and neutral countries, and the state department plans to make public Friday both the protest and the answer. It is understood that the United States contended that Great Britain has no jurisdiction over first class mail to neutral nations, involuntarily placed before British courts. England has the right, it was admitted, to censor mail en route through Great Britain, but not mail directly sent to neutrals, but forced en route to enter Great Britain.

Those close in touch with the position of Germany were insistent today that a final adjustment is near and that it will be satisfactory to the administration. "No matter what the United States demands," said one diplomat, "the matter will soon be adjusted."

Discussing Blockade. London, Jan. 26.—After a resolution for a blockade of Germany had been introduced in the house of commons this afternoon, Sir Edward Grey indicated that the government has no intention of declaring an actual blockade at present. "The government's thorough investigation of shipments to Germany," said Grey, "shows that the utmost is being done without causing serious troubles with neutral nations."

At the same time, the German embassy predicted that everything will be cleared up by the end of next week. This was taken to indicate that the embassy expects from Berlin a ratification of a concession to the United States.

He complained of gross misstatements in the press regarding American shipments to neutrals, and he denied that the figures proved that shippers are continuing large shipments to Germany through neutrals. "We are telling the United States," said Grey, "in reply to the last Washington note, that we are considering the whole matter in consultation with France and that we may later consult our other allies."

ENGLISH LABOR LOYAL. Bristol, England, Jan. 26.—By a big majority representatives of over 2,000,000 workmen in convention today pledged support to the government.

The resolution under which this promise was given failed to mention the subject of conscription, but the new compulsory service measure is practically certain to be denounced in resolutions later.

GOING ON THE BEACH. Portland, Or., Jan. 26.—The French bark Bayard, drifting helplessly near Cape Lookout, is going on the beach, the tug Onesta reported this afternoon. The steamer Avalon removed the Bayard's crew. Her masts are dragging by the board, making her hard to handle.

WILL NOT SUSPEND WORK. Indianapolis, Ind., Jan. 26.—The United Mine Workers of America voted overwhelmingly today not to suspend work in the coal fields April 1 if new agreements have not been concluded by that time.

KILLED IN COLLISION. Spokane, Wash., Jan. 26.—Three were killed and at least three injured in a collision between two Milwaukee trains 37 miles east of Othello this morning. The dead are: George Rait, engineer of westbound train No. 17, and two unidentified hoboes.

RECONCILIATION IMPOSSIBLE. Salt Lake City, Utah, Jan. 26.—Reconciliation between V. L. Hood, San Diego hotel man, and his wife who came here with Raymond Dodds, a negro, is believed to be impossible.

MEXICAN SITUATION BRINGS BILLS AND DEBATES IN CONGRESS



Left to right, top: Senator C. S. Thomas, Congressman L. C. Dyer, Senator Sherman. Bottom: Senator Gallinger, Senator Stone and Senator Borah.

Now that the Mexican situation has again become acute, senators and representatives are busy introducing bills and making speeches dealing with the present crisis. Senators Borah, Thomas, Gallinger and Stone have made speeches advocating armed intervention in case Carranza is unable to handle the situation. In the house Representative Dyer has offered a resolution asking the president if it is not time to invade Mexico. Senator Sherman has introduced a resolution calling for intervention on the part of the United States and other Pan-American nations in case Carranza does not restore order at once.

HE REFUSED PAROLE.

Portland, Or., Jan. 26.—Of his own volition, Joseph Hauser, aged 56, is en route to Salem today to serve an indeterminate sentence of 1 to ten years for horse stealing. He didn't have to go, but he doesn't believe in judicial clemency. When Judge Cavanaugh offered to parole him yesterday, Hauser scorned the liberty. Though protesting his innocence, he said he wouldn't accept his liberty under a cloud.

SIX MEET DEATH IN SEATTLE FIRE; TWO ARE MISSING

Fire Started in a Lot of Hemp on Fourth Floor of Walker Building

CAUGHT IN TRAP THREE LEAP FROM FIFTH STORY

Two Still Unaccounted For Are Believed to Have Made Escape

By proclamation of the president, Thursday, January 27, has been set aside as the day when contributions will be received in all parts of the country for the suffering Jews in the war zone of Europe. Following the suggestion of H. Steinboch, president of the local Jewish organization, the civics department of the commercial club passed a resolution last night endorsing the proclamation of the president.

H. Steinboch, in an address before the meeting said that the city would be organized into five districts, and that a committee would be appointed to receive money for this fund. Ernest Blue, M. Soloff and H. Steinboch have been appointed on the committee and others will be selected this evening.

The office of the Portland Railway, Light and Power company, and the commercial club have been designated as places where subscriptions will be received.

WANT PROTECTION. Washington, Jan. 26.—An increased protective tariff on lemons and oranges as an emergency war measure in behalf of California was asked by Representatives Church, Kettner, and President G. Harold Powell of the California Fruit Growers at a hearing today before the house ways and means committee.

PEACE TRIBUNAL MEETS. Stockholm, Jan. 26.—The Henry Ford permanent peace tribunal, minus several members, held its first formal session here today. It was announced that the first work will be a study of the causes of the war, in order that the gathering may be the better able to reach peace proposals.

WILL NOT SUSPEND WORK. Indianapolis, Ind., Jan. 26.—The United Mine Workers of America voted overwhelmingly today not to suspend work in the coal fields April 1 if new agreements have not been concluded by that time.

RECONCILIATION IMPOSSIBLE. Salt Lake City, Utah, Jan. 26.—Reconciliation between V. L. Hood, San Diego hotel man, and his wife who came here with Raymond Dodds, a negro, is believed to be impossible.

Ray Kinkelman, of Tacoma, who secured the contract for drying the hemp which had been damaged in the fire at Pier 14 was working in the building with a number of employees. Most of them were destroyed by fire.

San Francisco, Jan. 26.—The Associated Oil company, a subsidiary of the Southern Pacific Railroad company paid \$1,759,995 in dividends and laid aside a surplus of \$128,908 during 1915.

TODAY'S ODDEST STORY.

Milwaukee, Wis., Jan. 26.—The five Fromm brothers, Marathon county, Wisconsin, hunters since infancy, probably have the largest black fox farm in the world, and one of the five stays up all night every night with the foxes. Fifty foxes, worth \$2,000 each, are guarded both day and night by the brothers and a small army of watchdogs. The boys are all college men and are also musicians.

Three Business Places Undergoing Repairs

Three business store rooms are undergoing repairs and improvements for new tenants on State street, between Liberty and High. Now that the weather is about to moderate, workmen were busy today shelling the store room formerly occupied by the Walker Fish and Poultry market, leased by the Westcott and Thielson grocery. They hope to move into their new quarters next week. The adjoining store room to be occupied by Kafoury Bros. will soon be ready for its new tenants. This room has been fitted with new shelving and will be furnished throughout with all that is latest in store fixtures.

Superintendent Hale Talked to the Boys

Mr. Hale, of the state training school for boys, spoke last night at the Annual Brotherhood Boy Guest Banquet at Leslie church. Mr. Hale, after sizing up the large crowd of boys present, said, "Well boys, you are a fine looking bunch of fellows, but I've got just as good looking a bunch out at my school." He then proceeded to give his ideas that he didn't think there ever was a bad boy. "Boys are boys," said he, "and if they didn't have the desire to fight, and get into mischief, I wouldn't care the snap of my finger for them."

PAYS SOME DIVIDEND

San Francisco, Jan. 26.—The Associated Oil company, a subsidiary of the Southern Pacific Railroad company paid \$1,759,995 in dividends and laid aside a surplus of \$128,908 during 1915.

BOOM TIME PROSPERITY PROMISED THE COAST

Three San Francisco Plants Plan Increase of Equipments-- Union Iron Works Has Orders for \$20,000,000 Worth of Products and Unlimited Orders in Sight--Pacific Coast Steel to Add \$500,000 to Plant-- Five Million to Be Expended in Kelp Machinery to Obtain Potash.

San Francisco, Jan. 26.—Boom time prosperity on the Pacific coast is an actuality, not a dream, said business men today following announcement from three sources of extensions of already thrifty plants.

The three plants, planning increases in their equipment are: The Union Works here. The Pacific Coast Steel company of South San Francisco.

The Hercules Powder company of Pinole. President McGregor of the Union Iron Works is back from a conference with heads of the Bethlehem Steel company in the east, with the tidings that the concern must, and will, enlarge to keep pace with the swamping orders for more ships. Just what land will be obtained is not yet definite, but there is a possibility that the company will take over the Moore and Scott works. The company has \$20,000,000 worth of orders now, and is in a position, it is said, to get an unlimited further amount when it has facilities to handle the business. Simultaneously with the Union Iron Works announcement came the statement that the Pacific Coast Steel company plans to add an additional \$500,000 to its present investment and to start making structural steel on a large scale, using Chinese pig iron and California fuel oil. To this end, the contract has been closed for more open hearth furnaces. It is estimated the increased facilities will employ 150 men in addition to the 500 already on the payroll.

The third evidence of boom times came in announcement from the Hercules Powder company that it is ready to expend \$5,000,000 in kelp reapers to obtain kelp from which potash, used in amunition and fertilizer is obtained. This company plans erection of a plant at San Diego for reduction of the potash.

Steel Stock Jumps in East. New York, Jan. 26.—Following an announcement of issuance of a dividend on "little steel," that stock jumped into the limelight with a bang today. Fifteen thousand shares were sold at the opening of the exchange at from \$5 3/8 to \$6, as against a high of \$5 1/2 yesterday.

Wall Street's judgment that the country is making money having been confirmed by the common dividend, the street is expected to throw itself into a boom. The fact that the earnings of the Steel Corporation in the last quarter were \$6,000,000 more than any quarter in the history of the concern, was pointed to as an indication that the business of the country is greater than even the experts realized.

In answer to the argument that a violent industrial slump may be expected after the demand for munitions ceases, optimists declared that during the rehabilitation of Europe, the demand for machinery and other steel and iron products will be almost as great as the present demand for munitions.

"This basic industry gauges the economic condition of the country," said the Sun today. "The steel dividend in an unmistakable vote of confidence in the soundness and enduring quality of our prosperity by about the most representative body of American financial and business interests."

"The story of steel is the story of the nation," said the Press, "with the farm of the west and south, the factory of the north and east, and the lumber camp, mine, livestock range and dairy of the west all mingling money for the people of America, while 20,000,000 of their fellow men strain and struggle on the battlefields of Europe."

Stock Market Shows Weakening of Prices

(Copyright 1916 by the New York Evening Post.) New York, Jan. 26.—Professionals so completely dominated today's market that it is hardly profitable to discuss its vagaries seriously. The market opened with overnight advances of from a fraction in railways to two points in industrial issues, ostensibly on the basis of the United States Steel Corporation's earnings and dividend on common stock. Aggressive selling and a general decline, however, ensued. Railway shares suffered the most, because they have not lately been the mark for speculative selling on the scale of the war stocks; and second, because the sellers were able to make much of the foreign liquidation and of the railway employees' demands for higher pay. The net declines were extremely irregular, but general, and the early afternoon recovery did not hold.

ONE STEAMER SUNK

Portland, Or., Jan. 26.—The steamboat George W. Simons went to the bottom of the Willamette river today and the steamers Hassilo and Sarah Dixon narrowly escaped a like fate, because of bursting pipes. The result of recent cold weather. The Simons was tied to the old Alaska dock when she went down. The other vessels were found to be leaking through the pipes and the holes were stopped after their holds had been filled with water.

According to French statistics, only one-fourth of the aviation accidents are due to defect in aeroplanes.

THE WEATHER

Washington, Jan. 26.—A special train left Chihuahua City yesterday to bring out employees of the Yoroqui Development company and other American refugees with them at Minaca, said a state department dispatch today. Consul Silliman at Queretaro is doing his utmost to comply with American demands for capture and punishment of the murderers of 18 Americans at Santa Ysabel.

according to preliminary information regarding the annual report made public today. The receipts were \$4,966,772 and deductions \$3,948,768.



Teckla Bramble, a travelin' umbrella mender, was put in jail here yesterday, an 'I have I' cancel a couple o' months o' southern dates. Miss Tawney Apple is so chilly she has 'I pot anti-freeze in her hot-water bottle.